

# Indiana House of Representatives

---

## News and Information

*Media Office*

*Democratic Caucus*

*John Schorg, Director*

*Statehouse, Room 157*

*Indianapolis, Indiana 46204*

*1-800-382-9842 or 1-317-232-9621*

*Fax Number: 1-317-232-9792*

**FOR IMMEDIATE RELEASE:**

**February 21, 2005**

### **STATE REP. TRENT VAN HAAFTEN'S STATEHOUSE REPORT**

INDIANAPOLIS – The past two weeks at the Statehouse have been busy and the speed will only increase in the next two weeks.

By Thursday (February 24), Indiana House committees must complete action on legislation filed by state representatives. The full House will wrap up action on those bills on the following Tuesday (March 1). If a House bill has not made it out of our chamber by that date, it is dead for this year.

Over the past week, all House members finally got their first look at the state budget, the most important issue under consideration in this year's session. According to the Indiana Constitution, passing a budget is the one duty we must perform as legislators. Through the budget, we help fund our schools, provide health care, and pay for the economic development programs that help us attract good-paying jobs for Hoosiers.

In the days before they unveiled their budget plan, House Republican fiscal leaders promised they would provide a proposal that was balanced, and gave more money for education. Earlier talks had been centered on cuts in education, so I had truly hoped that House Republicans would stick by their word and provide a true increase in education funding. Oh, how I was wrong.

There are three problems with the House Republican budget:

**THE HOUSE REPUBLICAN BUDGET WILL CUT STATE SUPPORT FOR SCHOOLS.** Supporters claim that the budget offers more state funding for schools, but those additional funds will be channeled to only a few suburban school corporations. This budget does not give a minimum state funding guarantee, which means that as many as 244 of Indiana's 293 school corporations will see funding decreased. The budget does not fully fund deficiency payments and textbook reimbursements. By underfunding these areas, House Bill 1001 will force the vast majority of school corporations in our state to enact local property tax increases or cut programs. Hitting close to home, every school system in my district (North Posey, Mt. Vernon, South Gibson and Evansville) will see decreased funding.

**THE HOUSE REPUBLICAN BUDGET WILL INCREASE PROPERTY TAXES BY AT LEAST \$300 MILLION.** House Bill 1001 caps the amount of local property tax relief provided by the state through Property Tax Replacement Credits (PTRC), without providing another funding source for property tax relief. The PTRC provides 20 percent relief on your property taxes and is deducted from your spring and fall tax bills. By failing to provide added state support for local property tax relief and education funding, this budget will require local property taxpayers to foot more of the bill. This seems to be a complete turnaround from recent efforts to cut property taxes.

**THE HOUSE REPUBLICAN BUDGET FAILS TO PROPERLY FUND MEDICAID.** The costs of the Medicaid program, which provides health care for the elderly and disabled, are expected to grow by at least 10 percent. House Bill 1001 provides only a 3 percent increase in Medicaid funding, which is below even the 5 percent increase advocated by the governor. This means that the House Republican budget is out of balance by at least \$250 million. In my recent survey, I heard from a number of people who advocated cuts in Medicaid. Their responses demonstrated there is a misunderstanding of who is helped by Medicaid. Medicaid is not a means of "public welfare" for able-bodied individuals. It supports those who, because of health reasons, cannot support themselves. Since the governor's attempt to take control of Medicaid waivers, I have heard from so many people whose quality of life is improved through Medicaid that there is no question that our sense of duty and compassion as Hoosiers compel us to provide assistance.

Until these problems are addressed, I cannot support House Bill 1001. By the time this is printed, I anticipate that I will already have voted against the budget bill. I am hopeful my concerns will be answered as the legislation works its way through the Indiana Senate. With more than two months to go in the 2005 session, there is plenty of time to correct these flaws and enact a budget that helps Hoosiers, rather than hurt them.

Let me share with you another step in the legislative process. I discussed earlier the importance of having a bill heard and passed out of committee. But what happens next? The bill is then presented to the entire House for second reading. On second reading, any member may file an amendment to the bill. The amendment must be germane, which means it must relate in some manner to the language of the bill itself.

The second reading amendment process gives members of the minority party a chance to promote their ideas or clean up what they perceive to be a bad bill. To show you how this works, let me talk about HB 1113, which would allow the cost of filing a civil lawsuit to be increased.

The intention of this bill was good. When a person files a civil lawsuit, a filing fee is paid and the county clerk is responsible for sending notice via certified mail to the named defendants. Problems have cropped up when there is more than one defendant. In this case, the cost to the clerk (and the county) rises while the filing fee remains the same.

HB 1113 allowed an additional fee to be paid by a person filing a civil lawsuit for each additional defendant. The only problem is that the bill also required a higher filing fee if you were only suing one person. The intent of the bill was to cover the costs of additional defendants, but the bill would end up costing more for a person just filing a smalls claims matter against one person.

On second reading, I prepared an amendment that would only require the additional filing fee for a named party other than the first named party. The author of the bill agreed with this amendment and it passed through easily. Thus, the intent of the bill was preserved and an unnecessary cost was not passed on to our citizens.

Once a bill passes through the House with or without amendments on second reading, it is considered by all representatives on final reading. The author presents the bill and is questioned by other members. This is when the most lively debate takes place. After discussion is closed, the vote is taken. If the bill receives a constitutional majority, it passes out of the House and goes to the Senate. Once it arrives in the Senate, it must go through the same process as it did in the House, i.e. committee, second reading and third reading.

As I mentioned earlier, the next two weeks will be busy and exciting. The deadline for passing any bill out of the House is March 1.

Before I close this week, I want to mention one more item. Daylight-saving time is again being considered for the whole state. This certainly will be one issue on which I will want to hear from you. Do you want to be an hour behind the rest of the state the entire year, stay the same as we are now, or do you want to go on Eastern time? Please let me know your feelings by contacting me through the toll-free Statehouse telephone number of 1-800-382-9842, e-mailing me through my Internet Web site at [www.IN.gov/H76](http://www.IN.gov/H76) or writing to me in care of the Indiana House of Representatives, 200 W. Washington St., Indianapolis, IN 46204.

---30---

**This Report can be accessed on the Internet at [www.IN.gov/H76](http://www.IN.gov/H76)**